FORM 2 Rev 12/05

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109

DE	ET	OE	ES

Document Number: 2095288

Plugging Bond Surety 20080067

APPLICATION FOR PERMIT TO:

1. [X] **Drill,** [ ] Deepen, [ ] Re-enter, [ ] Recomplete and Operate

2. TYPE OF WELL
OIL [X] GAS [ ] COALBED [ ] OTHER _____
SINGLE ZONE [ ] MULTIPLE ZONE [X] COMMINGLE ZONE [ ]

Refiling [ ]
Sidetrack [ ]

3. Name of Operator: VECTA OIL & GAS LTD 4. COGCC Operator Number: 10267

5. Address: 5920 CEDAR SPRINGS ROAD - STE 200

City: DALLAS State: TX Zip: 75235

6. Contact Name: MAT GOOLSBY Phone: (303)618-7736 Fax: ()

Email: MATGOOLSBY@VECTA-DENVER.COM

7. Well Name: RED CLOUD Well Number: 44-5

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 5850

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 5 Twp: 13S Rng: 47W Meridian: 6

Latitude: 38.940870 Longitude: -102.689540

	FNL/FSL		FEL/FWL	
Footage at Surface:	635	FSL	891	FEL

11. Field Name: EUREKA CREEK Field Number: 22470

12. Ground Elevation: 4447 13. County: CHEYENNE

14. GPS Data:

Date of Measurement: 12/19/2009 PDOP Reading: 3.2 Instrument Operator's Name: NEAL MCCORMICK

15. If well is [ ] Directional [ ] Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

16. Is location in a high density area? (Rule 603b)? [ ] Yes [X] No

17. Distance to the nearest building, public road, above ground utility or railroad: 4389 ft

18. Distance to nearest property line: 635 ft 19. Distance to nearest well permitted/completed in the same formation: 1 mi

20.

LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
MORROW	MRRW			
SPARGEN	SPGN			

21. Mineral Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian Lease #: _____

22. Surface Ownership: [X] Fee [ ] State [ ] Federal [ ] Indian

23. Is the Surface Owner also the Mineral Owner? [ ] Yes [X] No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? [ ] Yes [ ] No

23b. If 23 is No [X] Surface Owners Agreement Attached or [ ] $25,000 Blanket Surface Bon [ ] $2,000 Surface Bond [ ] $5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

SE SE SEC. 5-13-47

25. Distance to Nearest Mineral Lease Line: 635 ft 26. Total Acres in Lease: 1440

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? [ ] Yes [X] No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? [ ] Yes [X] No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? [ ] Yes [X] No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? [ ] Yes [X] No **If 28, 29, or 30 are "Yes" a pit permit may be required.**

31. Mud disposal: [ ] Offsite [X] Onsite

Method: [ ] Land Farming [X] Land Spreading [ ] Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
SURF	12+1/4	8+5/8	24	400	225	400	0
1ST	7+7/8	5+1/2	15.5	5,850	250	5,850	4,780
S.C. 1.1						2,700	1,930

32. BOP Equipment Type: [X] Annular Preventer [ ] Double Ram [ ] Rotating Head [ ] None

33. Comments No Conductor Casing will be set.

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? [ ] Yes [ ] No

36. Is this application part of submitted Oil and Gas Location Assessment ? [X] Yes [ ] No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: MATHEW GOOLSBY

Title: VICE PRESIDENT Date: 1/27/2009 Email: MATGOOLSBY@VECTA-DEN

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Neslin **Director of COGCC** Date: 3/3/2010

API NUMBER
05 017 07693 00

Permit Number: _____ Expiration Date: 3/2/2011

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

1) Provide 24 hour notice of MIRU to Mike Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us. 2) If production casing is set provide cement coverage to at least 200’ above the shallowest completed interval. Stage cement Cheyenne/Dakota interval (100' below to 50' above, est. 2680’ - 1930’). Run CBL across all cemented intervals. 3) If well is a dry hole set the following plugs: 40 sks cement +/- 50’ above the Marmaton, 40 sks cement across any DST w/ show, 40 sks cement 100’ below base of Cheyenne (est. 2680’ up), 40 sks cement at top of Cheyenne (est. 2320’ up), 40 sks cement 50’ above top of Dakota (est. 1950’ up), 50 sks cement from 50’ below surface casing shoe up into surface casing, 10 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.
1) Provide 24 hour notice of MIRU to Mike Craig Quint at 719-767-8939 or e-mail at craig.quint@state.co.us. 2) If production casing is set provide cement coverage to at least 200’ above the shallowest completed interval. Stage cement Cheyenne/Dakota interval (100' below to 50' above, est. 2700’ - 1930’). Run CBL across all cemented intervals. 3) If well is a dry hole set the following plugs: 40 sks cement +/- 50’ above the Marmaton, 40 sks cement across any DST w/ show, 40 sks cement 100’ below base of Cheyenne (est. 2700’ up), 40 sks cement at top of Cheyenne (est. 2320’ up), 40 sks cement 50’ above top of Dakota (est. 1950’ up), 50 sks cement from 50’ below surface casing shoe up into surface casing, 10 sks cement in top of surface csg, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole.

Attachment Check List

Att Doc Num	Name	Doc Description
1828793	WAIVERS	LF@2426568|1828793
2095288	APD ORIGINAL	LF@2221765|2095288
2095290	WELL LOCATION PLAT	LF@2221766|2095290
2095291	SURFACE AGRMT/SURETY	LF@2221767|2095291
2095292	WAIVERS	LF@2221768|2095292
2109617	SURFACE CASING CHECK	LF@2426476|2109617
400039011	FORM 2 SUBMITTED	LF@2420638|400039011

Total Attach: 7 Files